SENATOR DWORAK: So we are talking about $1,174,000 for
purchase and when do we pay the $1,174,000 if it is
not in the fiscal statement now?

SENATOR RUMERY: We will use the $674,000 this year
to do the necessary work that has to be done to make
it suitable for an office building and we will pay
the $50,000 lease fee each year.

SENATOR DWORAK: So, in effect, when we vote for this
bill, we are assuming that other $500,000 of liability
in excess of this $674,000?

SENATOR RUMERY: Yes, but the Attorney General has
reminded us that we cannot obligate the state for more
than $100,000, therefore, it is simply a lease agreement.
As I understand, it is the same thing on the State Office
Building in Lincoln. One other thing, Mr. President
and Senators, it doesn't show up in this bill but the
North Platte Hospital Association is already receiving
$19,000 a year in rent.

SENATOR DWORAK: Wait a minute. This is my time. Senator
Rumery, then we are not buying the building but we are
leasing the building at $50,000. Is that my understanding
that we can't buy it because the Attorney General said
that we can't obligate over $100,000?

SENATOR RUMERY: That is right, unless the Legislature,
at some time, would want to just simply put down the
rest of the money and buy it. They could do that right
today, if they want to.

SENATOR DWORAK: But the $50,000 is a lease and not a
purchase?

SENATOR RUMERY: Right.

SENATOR DWORAK: So we are going to spend $500,000 plus
this $674,000 and not own the building?

SENATOR RUMERY: You will own the building after you
spend all that. Did you get it?

SENATOR DWORAK: No, I don't get it.

SENATOR RUMERY: If the lease runs for ten years, the
Legislature will have appropriated $500,000 which is
the...not to exceed $500,000 which would be considered
as the purchase price but it is under a lease agreement
for a period of not to exceed ten years and this other
money is simply to remodel it, get it into shape for a
State Office Building.

SENATOR DWORAK: Thank you.

PRESIDENT: Senator Richard Lewis.

SENATOR R. LEWIS: Senator Rumery, I have a question, if